



**Additional Information on  
Performance Metrics**

**Department of  
Alcoholic Beverage Control**

**February 23, 2004**

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Director

The mission of the Department of Alcoholic Beverage Control, as articulated in our Strategic Plan, is:

**“... to administer the provisions of the Alcoholic Beverage Control (ABC) Act in a manner that fosters and protects the safety, welfare and economic well being of the people of the State.”**

The Department has the *exclusive* authority to administer the ABC Act. This means that only ABC can issue an alcoholic beverage license and only ABC may revoke a license (for good cause). The ABC Act was created in 1955 by a Constitutional Amendment. ABC's mission statement is derived from the ABC Act, which states that the purpose of the ABC Act is “an exercise of the police powers of the State for the protection of the safety, welfare, health, peace, and morals of the people of the State, to eliminate the evils of unlicensed and unlawful manufacture, selling and disposing of alcoholic beverages, and to promote temperance in the use and consumption of alcoholic beverages. . . .” Prior to 1955 the authority to issue and revoke licenses was vested with the State Board of Equalization.

## **I. LICENSING PROGRAM**

### **Function and Activities; How they Relate to Primary Mission**

The functions of the Licensing Program include the accepting, reviewing, and investigating applications for new licenses and transfers of existing licenses. The current licensing process consists of up to 17 steps that can take anywhere from 55-65 days to more than a year to complete. Applicants request and are sent a pre-application that helps guide them through the licensing process. Applicants complete the pre-application package and then must go to an ABC District Office and work with a civilian staff member to complete the license application and pay their fees. This process can take up to two hours. ABC then mails a copy of the application to local officials, which gives them the chance to express concerns about the application, request or impose restrictions on the business operation, or file a protest.

ABC conducts an investigation of each application to decide whether the applicant and the proposed premises qualify for a license. Division office staff and Headquarters staff review the applications, as appropriate. If an application is to be denied or has protests filed against it, a public hearing is scheduled before an administrative law judge. The hearing is followed by action by the ABC Director, who makes the final decision as to license issuance or denial.

There is also an appeals process for those applicants who wish to pursue an appeal the ABC Director's decision. The following two paragraphs describe how ABC's licensing function and activities relate to ABC's primary mission.

*"Foster and protect the safety, welfare. . . "* Effective and efficient investigation of alcoholic beverage license applications fosters and protects the public safety and welfare by ensuring that license are only issued to qualified individuals at appropriate locations. For example, ABC would not generally issue a license to a convicted felon or within 100' of a residence. Licensees must be of good moral character and licensed businesses must not interfere with the quiet enjoyment of their property by residents.

*"Foster . . . economic well being . . . "* The timely issuance of alcoholic beverage licenses to qualified businesses has a direct effect on the State's economy. For example, the quicker ABC can issue the license, the faster those business can begin selling and profiting from the sale of alcoholic beverages. This in turn, creates sales tax revenues to the State and jobs for people who work in this industry: managers, waiters, waitresses, clerks/cashiers, security persons, etc. The restaurant industry is the State's largest employer, providing 958,400 jobs and providing work for nearly 6.6% of those employed in the State.<sup>1</sup>

## Goals and outcomes

The **goals** of the Licensing Program are:

1. Accept applications for, and issue, licenses in an expeditious manner
2. Ongoing customer and stakeholder involvement and satisfaction to protect and serve the interests of each unique community
3. Simple licensing processes and forms with statewide consistency

The **outcomes** of the Licensing Program are:

1. Qualified persons sell, produce or distribute alcoholic beverages
2. Licenses issued at appropriate locations with community input
3. Economic growth for the State through increased business viability and tax revenues

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<sup>1</sup> Source: California Restaurant Association. *2004 Fast Facts*.

## **Budget and PY's; comparison to other states**

ABC's *licensing budget* is \$22 million for FY 04/05. PY's for the Licensing Program are 227.

In 1933, the 21<sup>st</sup> Amendment to the U.S. Constitution gave states complete and autonomous authority to regulate the distribution and sale of alcohol. California is one of 32 states operating under the "license" or "open" system, and 18 states directly control the sale of liquor at the wholesale level. Fourteen of those "control states" also tightly regulate retail sales by limiting the purchase of alcoholic beverages to a state run or contracted liquor store. *As a result of these two very distinct regulatory frameworks, and the fact the state laws pertaining to alcohol manufacture, sale and consumption vary widely among the 50 states, comparing performance measures, budget allocations and staffing levels across states is difficult.*

Cost comparisons among and between state's alcohol regulatory agencies are also influenced by the fact many states have combined alcohol regulation with other programs – e.g. tobacco, gaming, and excise tax compliance. Also, many states have functionally separated licensing functions from enforcement duties and either local or other state law enforcement agencies are responsible for alcohol law enforcement. (See Appendix A, State Comparison Costs.)

## **Licensing program's primary and secondary customers**

*Primary customers* of the licensing program are existing or proposed businesses, including alcohol retailers, wholesalers, and manufacturers, business opportunity brokers who buy and sell these businesses, and non-profit organizations sponsoring special events where alcohol is sold. Customers rely on ABC to process their license applications quickly and correctly in order to begin or continue business operations and minimize costs related to State licensing requirements.

*Secondary customers* of the licensing program are the general public, legislature, law enforcement agencies and local governing bodies, who are interested in ABC application information in order to provide input into the licensing of establishments or proposed establishments in their neighborhoods or communities of interests. This includes community coalition groups. Other secondary customers include Internal Revenue Service, Employment Development Department, Franchise Tax Board and Board of Equalization, who exchange information with ABC regarding background information on license applicants. For example, applicants with active wage garnishments, including back taxes and failure to provide child support, from the State of California, must be identified and have their license withheld pending payment satisfaction.

## **How customer satisfaction is measured**

Customer satisfaction is measured through the use of a written survey form that is available in each of the Department's district offices and on our website.

## **Obstacles in achieving goals and outcomes**

There are internal and external obstacles to achieving licensing goals and outcomes, as follows:

### ***Internal Obstacles***

**Information Technology** – All Department operations, including licensing, are hindered by the current inadequate California Alcohol Beverage Information Network (CABIN) system and obsolete supporting infrastructure. ABC's infrastructure contains a large proportion of Macintosh computers that are more than 8 years old. The Department is in the process of replacing this system, with completion expected in FY 05/06. In its Licensing and Compliance System Feasibility Study Report dated December 19, 2003, Gartner, Inc. summarized the failures of the current system:

- Significant overhead costs associated with locating, copying and relying on paper files and manual case-tracking systems
- Failure to adequately support Public Records Act requirements
- Failure to process license applications in a timely manner
- Inaccurate, unreliable data entry
- Inability to process cases in a timely manner due to lack of reliable case tracking system
- Unstable CABIN system suffers from regular crashes that cause data corruption
- Insufficient reporting capabilities
- Difficult navigation and long learning curve
- Lack of "ownership" by staff
- Unreliable hardware
- Inefficient use of resources as employees wait for system to respond or recover

**Staffing Reclassification** – The Department has submitted a Bifurcation Proposal, which we believe would reduce license application timeframes and improve efficiency, productivity, and customer service. Essentially, the Department proposes re-classing 29 investigator positions to the Licensing

Representative series. Additionally, to achieve this, the Department is requesting a blanket hiring freeze exemption for the classes of Licensing Representative I and II, ABC and related classes to provide backfilling of the vacancies created by those staff accepting Licensing Representative positions.

**Staffing Experience** – Roughly 70% of all license applications involve entities ranging in scope from simple to very complex, multi-level general partnerships, corporate structures, limited partnerships and limited liability companies. Conducting a background investigation of such entities requires experience and training. It has been our experience that it requires at least five years for a new ABC investigator to become proficient in license application matters. Approximately 60 % of our investigators has less than five years experience with the Department.

### ***External Obstacles***

**Local Government Conditional Use Permit (CUP) Requirements** — By law, the Department cannot issue a license until the local municipality has approved the location under their zoning powers. In most cases the approval takes the form of an approved Conditional Use Permit. Fueled by the Department’s enforcement hiatus of 1992 and 1993, a significant number of cities and counties have enacted ordinances that either restrict the creation of new retail outlets or restrict the nature in which they will operate. Problematic outlets are viewed as the source of public nuisance activities and crime problems, and local governments are utilizing their zoning powers in greater numbers to control them. CUP criteria and timelines vary from county to county and city to city. Some are issued in a matter of weeks; others take months to issue.

**Local Government Determinations of Public Convenience or Necessity (“PC or N”)** — On January 1, 1995, a new law took effect giving local governing bodies the power to decide whether or not retail licenses should be issued in areas of high crime or undue concentration of existing licenses. If a local governing body determines that a license is justified based on public convenience or necessity, the Department may thereafter issue the license if all other considerations are satisfied. This process is separate and distinct from the Conditional Use Permit procedure.

Many counties cities have implemented a PC or N process. The result has been that in some jurisdictions, license applications falling under the PC or N process cannot move forward, resulting in ABC denial, or they are delayed by months. On January 1, 1997, an amendment to the PC or N law took effect, which provides that ABC will make the PC or N determination if a local jurisdiction has failed to do so within 90 days of application.

**Local Government Restrictions on Transfers** — In an ownership transfer of an existing license, the local government may request that additional conditions (restrictions) be added to the newly-transferred license. This is to prevent a problematic location from continuing to cause problems for a community.

**Protests from citizens or local officials** — A protest against the issuance of any license automatically triggers an administrative hearing requirement. We have a goal of the Administrative Hearing Office to calendar protest hearings within 45 days of the date a license application investigation is completed.

Many law enforcement agencies routinely file protests against any license application falling within its jurisdiction. In many instances, the protests filed by citizens and local governments are used as a method to extract more restrictive operating conditions from the applicant, such as shorter hours of sale, restrictions on entertainment, noise mitigation and other operating practices. Investigating the protest issues and negotiating with the applicant over these operating conditions add time to the license investigation process. Approximately 600 protests are received each month statewide.

**Federal, state, and local tax holds** — Current law allows various governmental taxing agencies to file tax holds on an ABC license application and prohibits license issuance until the tax hold has been released. Negotiating the settlement of a tax hold with the governmental agencies who file them does not begin until the license application investigation has concluded and the escrow that is required on such license transfers is ready to close. Tax holds can add several weeks to the application process, depending upon the negotiations between the taxing agency and the applicant/buyer.

**Miscellaneous obstacles** — Other obstacles include failure of applicants to provide necessary documentation or comply with statutory notice requirements (e.g., newspaper publication, written notice to residents within 500', etc.); failure of parties to place funds in escrow; civil suits preventing ownership transfers; pending disciplinary action against transferor; and applications falling under authority of bankruptcy court.

## **Activity interference with mission**

Our licensing activities do not interfere with our mission.

## **Metric 1.1 - Number of Permanent License Applications Received**

### **1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

Since part of ABC's mission is to *license* the alcoholic beverage industry, having a metric that quantifies the number of permanent license applications received demonstrates success in accomplishing the mission.

This metric is linked to the program outcome of *economic growth* for the State in that if people cannot get in through our doors to file their license applications, then they can't sell alcoholic beverages and add to the State's economy through sales taxes on alcohol and the creation of jobs.

### **2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

ABC uses Metric 1.1 internally in several ways. First, we use it for resource allocation. For example, there may be a district office that has a high number of incoming license applications. In that case, we may use the metric results to help justify a redirection or augmentation of staffing or other resources to that office. Likewise, if resources are to be reduced, we use the data to show the impact on results. Second, we use metric results throughout the year to keep the licensing program on course and to help avoid surprises.

At the end of each fiscal year our Annual Report, which contains the metric results, helps us set future direction. Third, we use the metric results in being accountable to political governing bodies. Political decision makers often request our data to help them in their policy decisions. Fourth, we use the metric in our communications with our customers and stakeholders. ABC staff members attend a number of meetings where members of the public are interested in how ABC programs are affecting the quality of life in their communities.

### **3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**



The effectiveness and efficiency of ABC in receiving license applications is key to the outcome of licenses being issued “at appropriate locations with community input.” If ABC accepts applications in accordance with legal requirements, then local residents, governing bodies and community members have a chance to provide input into the licensing of a given business establishment. For example, in order to file an application for the transfer of a license from one person to another, the applicant must submit to ABC a certified copy of a Notice of Intended Transfer (filed with the County Recorder) with their ABC license application. The notice is one of several public notice requirements of getting into the alcohol business.

#### **4 - The target for the metric and explain how the target was developed**

We have no target for this.

#### **5 - Explain the cause(s) of any fluctuation in the metric results**

Growth or slowdowns in the State’s economy can cause fluctuations in the metric results. Staffing levels and outdated technology may also cause fluctuations. Currently, the Department has a backlog of applicants waiting to file their applications, which we are working on solving through the use of cross-functional work teams (see Internal Obstacles for details).

### **Metric 1.2 - Average Time to Process *Original* Applications, By License Type**

#### **1 - How metric demonstrates ABC’s success in accomplishing mission; how metric is linked to program outcome**

Since part of ABC’s mission is to *license* the alcoholic beverage industry, having a metric that measures how long it takes to process license applications shows our effectiveness in helping get people into business.

This metric is linked to the program outcome of *economic growth* for the State in that if people cannot get in through our doors to file their license applications, then they can’t sell alcoholic beverages and add to the State’s economy through sales taxes on alcohol and the creation of jobs.

#### **2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

See response to Metric 1.1. In addition, the Legislature requires this metric be included in our Annual Report to the Legislature, required by Section 23054 of the Business & Professions Code.<sup>2</sup>

**3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

The effectiveness and efficiency of ABC in processing license applications is key to licenses being issued “at appropriate locations with community input” (outcome). If ABC processes applications in accordance with statutory requirements, then that gives local residents, governing bodies and community members an opportunity to provide input into the licensing of that particular business establishment.

**4 - The target for the metric and explain how the target was developed**

The target for the metric is 55-65 days for non-protested applications.

**5 - Explain the cause(s) of any fluctuation in the metric results**

Staffing levels and current outdated technology (CABIN) system cause fluctuation in the metric results (see internal obstacles for details).

**Metric 1.3 - Average Time to Process *Transfer* Applications, By License Type**

**1 - How metric demonstrates ABC’s success in accomplishing mission; how metric is linked to program outcome**

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<sup>2</sup> In 1991 the Department suffered a 42% staff reduction as a result of a Department wide hiring freeze and “layoff flight” due to threatened budget reductions. The loss of staff resulted in a dismantling of the Department’s enforcement program and the development of severe licensing backlogs that lasted well over one year. The subsequent rebuilding process made possible by urgency legislation in 1992 established ABC as a Special Fund Agency and enabled it to slowly reduce the license application backlogs and reinstitute its enforcement program. As part of the ABC bailout legislation of 1992, AB 432 enacted as Chapter 900, statutes of 1992 requires the Department to file an annual report with the legislature identifying workload accomplishments in various areas.

Since part of ABC's mission is to *license* the alcoholic beverage industry, having a metric that measures the number average time to process transfer license applications shows our success in getting new owners into business.

This metric is linked to the program outcome of *economic growth* for the State in that if people cannot obtain their ABC license, then they can't sell alcoholic beverages and add to the State's economy through sales taxes on alcohol and the creation of jobs.

**2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

See response to Metric 1.1. In addition, the Legislature requires this metric to be included in our Annual Report to the Legislature.

**3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

The effectiveness and efficiency of ABC in processing license applications is key to licenses being issued to the outcome of *issuing licenses at appropriate locations with community input*. If ABC processes applications in accordance with legal requirements, then local residents, governing bodies and community members have a chance to provide input into the licensing of a given business establishment.

**4 - The target for the metric and explain how the target was developed**

The target for the metric is 55-65 days for non-protested applications.

**5 - Explain the cause(s) of any fluctuation in the metric results**

Staffing levels and current outdated technology (CABIN) system cause fluctuation in the metric results (see Internal Obstacles for details).

**Metric 1.4 - Number of Permanent Licenses Issued**

**1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

Since part of ABC's mission is to *license* the alcoholic beverage industry, having a metric that measures the number of permanent licenses issued shows we are accomplishing our mission.

This metric is linked to the program outcome of *economic growth* for the State in that if people cannot get their license issued, they can't sell alcoholic beverages and add to the State's economy through sales taxes on alcohol and the creation of jobs.

**2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

See response to Metric 1.1. In addition, the Legislature requires this metric be included in our Annual Report to the Legislature.

**3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

The effectiveness and efficiency of ABC in processing license applications is key to licenses being issued at appropriate locations with community input. If ABC processes applications in accordance with statutory requirements, that gives local residents, governing bodies and community members an opportunity to provide input into the licensing of that particular business establishment.

**4 -The target for the metric and explain how the target was developed**

There is no target for the issuance of licenses. On the contrary, there are statutory limits on the issuance of certain licenses. For example, original on- and off-sale general licenses are restricted in number and released only once each year based upon population growth. As another example, there is a moratorium on the issuance of original off-sale beer and wine licenses in certain areas of the state.

**5 - Explain the cause(s) of any fluctuation in the metric results**

Staffing levels and outdated technology (CABIN) system cause fluctuation in the metric results (see internal obstacles for details).

## **Metric 1.5 - Number of Special Event Licenses Issued**

### **1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

Since part of ABC's mission is to *license* the alcoholic beverage industry, including special events, having a metric that measures the number of special event licenses issued shows the rate at which we are issuing those licenses.

This metric is linked to the program outcome of economic growth for the State in that if people cannot obtain their special event license, then they can't sell alcoholic beverages and add to the State's economy through sales taxes on alcohol and the creation of jobs.

### **2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

See response to Metric 1.1. In addition, the Legislature requires this metric be included in our Annual Report to the Legislature.

### **3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

The effectiveness and efficiency of ABC in processing license applications is key to licenses being issued at appropriate locations with community input. If ABC processes applications in accordance with statutory requirements, then that gives local residents, governing bodies and community members an opportunity to provide input into the licensing of that particular business establishment.

### **4 -The target for the metric and explain how the target was developed**

There is no target for the metric.

## **5 - Explain the cause(s) of any fluctuation in the metric results**

Staffing levels and outdated technology (CABIN) system cause fluctuation in the metric results (see internal obstacles for details). In addition, the general economy of the state, and growth of the nonprofit sector are also factors. (There are 88,000 registered nonprofit organizations in California.)

## **Metric 1.6 - Number of Applications Denied and Withdrawn**

### **1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

Since part of ABC's mission is to *license* the alcoholic beverage industry in a manner that fosters and protects the public safety and welfare, having a metric that measures the number of license applications *denied* helps us quantify the level at which we are scrutinizing license applications and not licensing everyone who applies. Most people voluntarily withdraw their application in the face of a denial. Most of our license denials are for reasons such as proximity to residences. Measuring the number of license applications *withdrawn* tells us the number of applicants who change their mind about going into business—it could be that they are facing denial or could not obtain financing.

The metric of *licenses denied* is linked to the program outcome of licenses issued at appropriate locations with community input. The metric of *licenses withdrawn* indirectly links to that same program outcome, since many license applicants withdraw their applications in the face of a denial.

### **2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

See response to Metric 1.1.

### **3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

The effectiveness and efficiency of ABC in processing license applications is key to licenses being issued *at appropriate locations with community input*. If

ABC processes applications in accordance with statutory requirements, then that gives local residents, governing bodies and community members an opportunity to provide input into the licensing of that particular business establishment.

#### **4 -The target for the metric and explain how the target was developed**

There is no target for the metric.

#### **5 - Explain the cause(s) of any fluctuation in the metric results**

Staffing levels and current outdated technology (CABIN) system cause fluctuation in the metric results (see Internal Obstacles for details).

## **II. COMPLIANCE/ENFORCEMENT**

### **Function and activities; how they relate to primary mission**

The function of the Enforcement/Compliance Program is to investigate violations of existing laws and educate licensees to prevent violations. ABC takes disciplinary action against licensees who violate, or whose employees violate, existing laws.

The disciplinary process consists of up to 15 steps. If ABC has evidence of a violation involving a licensee or a licensed premises, it will file an administrative complaint, called an “accusation.” An accusation, if proven, will lead to the suspension or revocation of the license. The process starts with the reporting of a violation to ABC and subsequent confirmation by ABC, or the identification of a violation as a result of an ABC compliance investigation, and/or an investigation conducted by another law enforcement agency.

After an investigation has been completed, the ABC district office evaluates the case and can take one of six different actions, as appropriate. The accusation is the most severe for the licensee. Should an accusation be prepared, a pre-accusation interview will be held with the licensee, an accusation package will be prepared and an administrative hearing will be scheduled. The hearing is followed by action by the ABC Director. Any aggrieved party may file an appeal of the ABC Director’s decision to the Supreme Court.

*“Foster and protect the safety, welfare. . . ”* Effective and efficient investigations of alcoholic beverage licensees foster and protect the public

safety and welfare by ensuring that licensees and their premises are not involved in criminal activity; and, if they are, action is taken to halt it.

*“Foster . . . economic well being . . .”* It is ABC’s policy to impose administrative, non-punitive penalties with the goal of encouraging and reinforcing voluntary compliance with laws by members of the alcoholic beverage industry. Certainly, it is to the economic advantage of licensees to voluntarily comply with the law. Licensees who are the subject of disciplinary action by ABC can receive fines, license suspensions, and license revocation, all of which impact their profitability and viability.

## Goals and outcomes

The *goals* of the Compliance/Enforcement Program are as follows:

1. Timely investigation of complaints
2. Formation of partnerships that reinforce and supplement ABC resources and budget (e.g., involve local law enforcement in the shared responsibility for enforcing ABC laws)
3. Educate licensees on ABC laws and regulations and hold them accountable for violating those laws and regulations

The *outcomes* of the Compliance/Enforcement Program are:

1. Improved public health, safety, and welfare and quality of life through reduced alcohol-related crime
2. Voluntary compliance by industry members with existing laws

## Budget and PY’s; comparison to other states

ABC’s compliance budget is \$19 million for FY 04/05. PY’s for the Compliance/Enforcement Program are 192.

In 1933, the 21<sup>st</sup> Amendment to the U.S. Constitution gave states complete and autonomous authority to regulate the distribution and sale of alcohol. California is one of 32 states operating under the “license” or “open” system, and 18 states directly control the sale of liquor at the wholesale level. Fourteen of those “control states” also tightly regulate retail sales by limiting the purchase of alcoholic beverages to a state run or contracted liquor store. *As a result of these two very distinct regulatory frameworks,*



***and the fact the state laws pertaining to alcohol manufacture, sale and consumption vary widely among the 50 states, comparing performance measures, budget allocations and staffing levels across states is difficult.***

Cost comparisons among and between state's alcohol regulatory agencies are also influenced by the fact many states have combined alcohol regulation with other programs – e.g. tobacco, gaming, and excise tax compliance. Also, many states have functionally separated licensing functions from enforcement duties and either local or other state law enforcement agencies are responsible for alcohol law enforcement. See Appendix A, State Comparison Costs.

## **Program's primary and secondary customers; how customer satisfaction is measured**

Primary customers of the Compliance/Enforcement Program are existing licensees, their attorneys, sometimes business consultants who work for licensees, and state and local law enforcement agencies.

Licensees and their attorneys rely on ABC to impose discipline in an honest, impartial, and consistent manner. Local law enforcement relies on ABC to be a partner and resource in Community-Orienting Policing involving licensed businesses. ABC is expected, and mandated, to act swiftly in investigating reports of arrests involving licensees and licensed premises.

Secondary Customers of the Compliance/Enforcement Program are the general public and alcohol problem prevention advocates, organizations, and coalitions.

Customer satisfaction is measured through the use of a written survey form that is available in each of the Department's 24 district offices and on our website.

## **Obstacles in achieving goals and outcomes**

**Insufficient Number of Investigators** — The lack of an ABC enforcement presence sufficient to police 66,000+ retail outlets is a common complaint. It is heard from all quarters, including state and local elected officials, the California law enforcement community, frequent newspaper articles and editorials, community groups, and alcohol abuse organizations. The ratio of ABC investigators to retail outlets is currently one investigator to every 413 outlets.<sup>3</sup>

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<sup>3</sup> Based on 66,992 retail licenses as of June 30, 2003 and 162 rank and file investigators.

Disorderly liquor stores and bars are seen as the “broken windows” in our communities that, unless fixed quickly, lead to worsening conditions, neighborhood decay and erosion of quality of life. While our enforcement priorities have focused on these specific sorts of disruptive businesses, our current law enforcement presence is insufficient for the kind of effective intervention that is being demanded of ABC by community members and local governments.

**Information Technology** — As mentioned under the Licensing Program, all ABC operations are hindered by the inadequate CABIN system and obsolete supporting infrastructure. Our public safety mandates are no exception. According to our first Gartner Consulting Feasibility Study Report in 2002, “the lack of adequate reporting capabilities limits management’s ability to identify trends regarding problem premises. There is also limited information related to caseload assignments, which affects the allocation of resources as needs change.”

## **Activity interference with mission**

Our enforcement program does not interfere with our mission.

## **Metric 2.1 - Number of investigations completed**

### **1 - How metric demonstrates ABC’s success in accomplishing mission; how metric is linked to program outcome**

Investigators assigned to Compliance/Enforcement work a variety of assignments.

*Complaint investigations* are those that result from someone filing a complaint that a licensed premises is violating the law (e.g., selling alcohol to minors).

An *administrative assignment* includes work such as serving subpoenas on witnesses.

*Police reports assigned for investigation* are those written police reports ABC receives from a local police or sheriff’s department showing that a licensed premises or licensee was involved in a crime. ABC conducts follow-up with the local officer, when needed, to ensure a quality case for administrative filing against the licensee.

The timely completion of all these investigation assignments show that ABC is “protecting the health, safety, [and] welfare . . . of the people of the State,” as described in its mission.

The metric is linked to program outcomes in that investigations generally lead to warnings or formal disciplinary action against a licensee in the form of fines, suspensions, or in serious cases, revocation of the license. All of these administrative penalties have a deterrent effect and promote voluntary compliance with laws by licensees.

## **2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

ABC uses Metric 2.1 internally in several ways. First, we use it for resource allocation. For example, there may be a district office that has a high number of complaints on hand that require investigation. In that case, we may use the metric results to help justify a redirection or augmentation of staffing or other resources to that office. Likewise, if resources are to be reduced, we use the data to show the impact on results. Second, we use metric results throughout the year to keep the enforcement program on course and to help avoid surprises.

At the end of each fiscal year our Annual Report, which contains the metric results, helps us set future direction. Third, we use the metric results in being accountable to political governing bodies. Political decision makers often request our data to help them in their policy decisions. Fourth, we use the metric in our communications with our customers and stakeholders. ABC staff members attend a number of meetings where members of the public are interested in how ABC programs are affecting the quality of life in their communities.

## **3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

The better the quality of investigations, the greater the chance that ABC will be successful in prosecuting the offender criminally and/or administratively.

#### **4 - The target for the metric and explain how the target was developed**

There is no target for the *number of* investigations completed. However, the Department does prioritize complaints received against licensees by type of complaint and by the number of previous complaints against the licensee. This system alerts District Offices to high-priority complaints needing prompt action.

#### **5 - Explain the cause(s) of any fluctuation in the metric results**

Fluctuations in metric results are influenced primarily by the number and experience level of investigators assigned to an office.

### **Metric 2.2 - Number of accusations registered**

#### **1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

An "accusation" is a formal charge against a licensee that alleges grounds for the suspension or revocation of the license. For example, the most common allegation is sales of alcoholic beverages to persons under 21 years of age. Underage drinking is an enormous public health and safety problem. To illustrate, people under 21 are involved in fatal crashes at twice the rate of adult drivers. Accordingly, when ABC registers accusations against licensees, it shows that ABC is accomplishing its mission responsibility "... to protect the health, safety, welfare ... of the people of the State."

#### **2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

ABC uses Metric 2.2 internally for resource allocation (to help justify a redirection or augmentation of staffing or other resources to an office), to keep the enforcement program on course, set future direction, to be accountable to political governing bodies; and in our communications with our customers and stakeholders.

#### **3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

Increased enforcement activity results in a greater number of accusations being registered.

#### **4 - The target for the metric and explain how the target was developed**

There is no target for the metric.

#### **5 - Explain the cause(s) of any fluctuation in the metric results**

There are a number of factors that have affected the above statistics (see Appendix A). Two factors had a particular impact. In 1995 the Department began its Grant Assistance to Local Law Enforcement Program, which resulted in more investigations; thus, more accusations being filed against licensees. Second, in 1994 the California Supreme Court upheld the constitutionality of the Minor Decoy Program after a legal challenge. The two-year hiatus of this program resulted in a backlog of Minor Decoy accusations that were ready to be registered. Approximately 80% of accusations involve minor decoys.

### **Metric 2.3 - Number of warning letters issued**

#### **1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

“Warnings” means official letters of warning from the Department to licensees. The Department may send a warning letter to a licensee when circumstances surrounding a violation are such that a warning letter will achieve the desired effect of compliance and the filing of an accusation might not be in the best interests of justice. In order to be treated as an official warning letter, there must be sufficient evidence that a violation did occur. Warning letters—an early step in the “progressive discipline” continuum—have a deterrent effect, reduce alcohol-related crime and thus help ABC accomplish its mission to protect public health, safety and welfare. The metric is linked to program outcome in that when a licensee receives a warning, it helps achieve future *voluntary compliance* with laws by that licensee.

#### **2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

ABC uses Metric 2.3 internally for resource allocation (to help justify a redirection or augmentation of staffing or other resources to an office), to keep

the enforcement program on course, set future direction, to be accountable to political governing bodies; and in our communications with our customers and stakeholders.

**3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

Warning letters have a deterrent effect, reduce alcohol-related crime and thus increase the outcome of greater *voluntary compliance* with laws by the licensee.

**4 - The target for the metric and explain how the target was developed**

No target.

**5 - Explain the cause(s) of any fluctuation in the metric results**

Since warning letters result from a violation of ABC law by a licensee, fluctuations in the number of warning letters issued is influenced by the level of awareness and knowledge among licensees of ABC laws. It is also dependent on the resources of ABC and local law enforcement to conduct investigations (staffing, budgets, etc.).

**Metric 2.4 - Number of premises visited**

**1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

This metric includes visits by investigators (rank and file sworn personnel) and supervising investigators (sworn supervisors). These visits show that ABC is out in the community “protecting the health, safety, [and] welfare . . . of the people of the State,” as its mission says. The number of premises visited, is linked to *program outcomes* in that these visits can lead to disciplinary action against a licensee (i.e., fines, suspensions, or revocation of the license). All of these administrative penalties have a deterrent effect and promote voluntary compliance with laws by licensees. Further, visits to premises by ABC investigators can reduce crimes and public nuisance activities, as we have experienced with our IMPACT Program. Finally, if an ABC investigator is visiting a licensed premises and sees a person who is drunk in public and arrests that person, then a potential drunk driving fatality is averted. If a

neighbor views the arrest, then the public perceives a safer environment and is satisfied.

**2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

ABC uses Metric 2.4 internally for resource allocation (to help justify a redirection or augmentation of staffing or other resources to an office), to keep the enforcement program on course, set future direction, to be accountable to political governing bodies; and in our communications with our customers and stakeholders

**3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

The more premises that ABC investigators visit, the greater the outcome: fewer crimes and public nuisance activities, reduced drunk driving fatalities/arrests, increased public perception of safety and satisfaction, more responsive to complaints and voluntary compliance by licensees. Other factors affecting the outcome are the experience level of ABC investigators and their partnerships with local law enforcement. These partnerships create synergy by adding to local officer expertise in this specialized area of law.

**4 - The target for the metric and explain how the target was developed**

No target.

**5 - Explain the cause(s) of any fluctuation in the metric results**

Staffing levels of the district office, number of licensed premises, and how many investigators are assigned to enforcement duties (versus licensing duties) affect results.

**Metric 2.5 - Number of field enforcement hours worked by sworn staff**

**1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

This metric measures number of field (versus office hours) worked by sworn staff. Field enforcement hours reflect that ABC is out in the community “protecting the health, safety, [and] welfare . . . of the people of the State,” as its mission says. The number of premises visited, is linked to *program outcomes* in that field enforcement can lead to disciplinary action against a licensee (i.e., fines, suspensions, or revocation of the license). All of these administrative penalties have a deterrent effect and promote voluntary compliance with laws by licensees. Further, field enforcement by ABC investigators can reduce crimes and public nuisance activities, as we have experienced with our IMPACT Program. Finally, if an ABC investigator is “in the field” and sees a person who is drunk in public and arrests that person, then a potential drunk driving fatality is averted. If a neighbor views the arrest, then the public perceives a safer environment and is satisfied.

**2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

ABC uses Metric 2.5 internally for resource allocation (to help justify a redirection or augmentation of staffing or other resources to an office), to keep the enforcement program on course, set future direction, to be accountable to political governing bodies; and in our communications with our customers and stakeholders.

**3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

The more ABC investigators there are in the field, the fewer crimes and public nuisance activities there will be. There will also be reduced drunk driving fatalities/arrests, increased public perception of safety and satisfaction and since they will generally be out “working complaints,” they are being responsive to complaints. Factors affecting the outcome include the workload of each district office. A certain district office may have a high licensing workload, thus fewer hours can be devoted to field enforcement.

**4 - The target for the metric and explain how the target was developed**

There is no target.



## **5 - Explain the cause(s) of any fluctuation in the metric results**

Fluctuation in the number of field enforcement hours can be caused by the workload of each district office. A certain district office may have a high licensing workload, thus fewer hours can be devoted to field enforcement.

## **Metric 2.6 - Number of arrests and citations**

### **1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

Arrests and citations includes persons physically booked into jail and persons released on their written promise to appear (cited and released), for all types of violations. Includes arrests made by ABC alone and "joint" arrests made with ABC and local law enforcement. The Department makes the second highest number of arrests each year of any State law enforcement agency. The California Highway Patrol is the only state law enforcement agency that makes more arrests. Most of ABC arrests are for sales to minors. Underage drinking is an enormous public health and safety problem. When ABC arrests someone for selling alcohol to a minor, or arrests a minor for purchasing or consuming alcohol, ABC is accomplishing its mission responsibility "... to protect the health, safety, welfare ... of the people of the State." Arrests and citations are directly linked to reduced crime and reduced drunk driving.

### **2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

ABC uses Metric 2.6 internally for resource allocation (to help justify a redirection or augmentation of staffing or other resources to an office), to keep the enforcement program on course, set future direction, to be accountable to political governing bodies; and in our communications with our customers and stakeholders. *The Department is also required to report metric results to the Department of Justice monthly.*

### **3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

The more arrests and citations ABC makes, the fewer crimes and public nuisance activities there will be. Word spreads fast among retail licensed establishments that "ABC is out working tonight." "We just got busted" or

“ABC was just here” is the reason many bartenders will refuse that extra drink to a patron. Undercover investigators will verify this fact. Factors affecting the outcome include the workload of each district office. A certain district office may have a high licensing workload, thus fewer hours can be devoted to making arrests.

#### **4 - The target for the metric and explain how the target was developed**

There is no target for this metric.

#### **5 - Explain the cause(s) of any fluctuation in the metric results**

Metric results fluctuate with staffing levels. For example, the Department experienced severe staffing losses in Fiscal Year 92/93. This explains the very low number of arrests in that fiscal year since nearly all sworn staff members were deployed to work licensing investigations.

### **III. GRANT ASSISTANCE TO LOCAL LAW ENFORCEMENT**

#### **Function and Activities; How They Relate to Primary Mission**

In 1995 ABC implemented the Grant Assistance to Local Law Enforcement Program (GAP) to broaden and increase the level of alcoholic beverage enforcement. This is done by working in partnership with cities and counties through the giving of grants to local law enforcement agencies. ABC awards grants of up to \$100,000 with the emphasis on reducing alcohol-related crime through community-oriented policing, prevention, and education programs.

The GAP Program amplifies the amount of ABC enforcement that is being conducted throughout the state. For example, in a given year ABC may give grants to 20 local law enforcement agencies. If 10 officers from each of those agencies learn how to, and conduct, ABC enforcement, then that is 220 additional officers in California who would not otherwise be doing ABC enforcement. Those 220 officers at some point will share their knowledge and expertise with others within their agencies. This synergy and partnership magnifies ABC’s ability to fulfill our mission of protecting public health, safety, and welfare.

#### **Goals/Outcomes**

Goals are to:

1. Achieve the goals and objectives of the local enforcement agencies' grant agreements
2. Establish a close working relationship between the ABC district office and the local law enforcement agency
3. Prioritize law enforcement efforts and target those licensed outlets that are disruptive and disorderly
4. Develop a records management system to ensure police reports are systematically sent to the ABC district office as required by law
5. Assist in the training of local law enforcement
6. Assist in the training of ABC personnel

Outcomes are (a) Improved public health, safety and welfare and quality of life through reduced alcohol-related crime;<sup>4</sup> and (b) Increased partnerships with local law enforcement.

## Budget and PY's; Comparison to Other States

ABC's Local Assistance budget is \$1.5 million for FY 04/05. PY's are 10.

In 1933, the 21<sup>st</sup> Amendment to the U.S. Constitution gave states complete and autonomous authority to regulate the distribution and sale of alcohol. California is one of 32 states operating under the "license" or "open" system, and 18 states directly control the sale of liquor at the wholesale level. Fourteen of those "control states" also tightly regulate retail sales by limiting the purchase of alcoholic beverages to a state run or contracted liquor store. ***As a result of these two very distinct regulatory frameworks, and the fact the state laws pertaining to alcohol manufacture, sale and consumption vary widely among the 50 states, comparing performance measures, budget allocations and staffing levels across states is difficult.***

Cost comparisons among and between state's alcohol regulatory agencies are also influenced by the fact many states have combined alcohol regulation with other programs – e.g. tobacco, gaming, and excise tax compliance. Also, many states have functionally

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<sup>4</sup> As an example, Los Angeles Police Department reduced not only ABC alcohol problems, but also crimes against persons and property by at least 20% in neighborhoods where the grant effort was conducted.

separated licensing functions from enforcement duties and either local or other state law enforcement agencies are responsible for alcohol law enforcement. ***We know of no other state, except Texas, that provides local assistance grants to local law enforcement.*** See Appendix A, State Comparison Costs.

## **Program's Primary and Secondary Customers; How Customer Satisfaction is Measured**

Primary customers are local law enforcement agencies. Secondary customers are local communities. Customer satisfaction is measured through (1) a written evaluation of the initial Annual Law Enforcement Training Conference attended by local law enforcement officers assigned to the grant program; (2) an end of grant written evaluation instrument; (3) final report submitted to ABC in which the grantees summarize the entire grant year.

## **Obstacles in Achieving Goals and Outcomes**

The primary obstacle is the economy of the State and the resulting lack of manpower from local law enforcement agencies. Sometimes even though we are offering grants, local agencies cannot take away from routine patrol to staff an ABC-related grant. Each grant agency is unique and we must remain flexible and ready to change our focus with the grant if resources become limited.

## **Activity interference with mission**

This activity does not interfere with the ABC mission.

## **Metric 3.1 - Number of licensed premises inspected in grant jurisdictions**

### **1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

Our mission is "to administer the provisions of the Alcoholic Beverage Control (ABC) Act in a manner that fosters and protects the safety, welfare and economic well being of the people of the State." "Inspections" as used in this metric include those done through the IMPACT Program (where an ABC investigator teams with a local law enforcement officer who visit ABC-licensed businesses, point out and correct minor violations, and answer any

questions licensees have about the law) and Retail Operating Standards Task Force, which looks for violations of the retail operating standards law such as graffiti, loitering and littering.

This metric does not include minor decoy programs. These inspections use a community oriented policing approach of involving merchants in deterring crime. Following these visits, most merchants have improved their business practices by checking I.D. more thoroughly on youthful customers, discouraging drunken loiterers, and removing graffiti and excess signage in windows. This metric directly relates to our mission of protecting public health, safety and welfare and—through the team concept of pairing an ABC investigator with a local officer—the GAP outcome of *increased partnerships*.

**2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

Grantee law enforcement agencies use the metric to report to ABC on the accomplishments.

**3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other actors affecting the outcome**

The number of inspections conducted has a direct correlation to the number of partnerships formed. Other factors that affect the outcome of *increased partnerships with local law enforcement* are (a) the commitment, expertise and relationship skills of the investigators assigned as liaison to each of the grantee law enforcement agencies, and (b) regularity of meetings held with the GAP investigator, ABC district office and grant agency (to plan and schedule future grant activities).

**4 - The target for the metric and explain how the target was developed**

No target.

**5 - Explain the cause(s) of any fluctuation in the metric results**

The agency's available staffing resources affect results. If we are lucky, local agencies have one full-time person to assign to the grant. If it is an overtime grant, we will use

whomever they have to work overtime. It can vary from month to month what we are able to achieve because of these staffing issues.

## **Metric 3.2 - Number of licensees and employees trained in grant jurisdictions**

### **1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

Our mission is "to administer the provisions of the Alcoholic Beverage Control (ABC) Act in a manner that fosters and protects the safety, welfare and economic well being of the people of the State." Program outcomes are (a) Improved public health, safety and welfare and quality of life through reduced alcohol-related crime; and (b) Increased partnerships with local law enforcement. This metric represents training given by ABC's the Licensee Education on Alcohol and Drugs (LEAD) Program, which teaches licensees how to sell and serve alcohol safely, responsibly and legally. Training licensees has a direct impact on improving public health and safety since studies show that at least 50% of drunk drivers had their last drink at a licensed establishment.

### **2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

Grantee law enforcement agencies use the metric to report to ABC on their accomplishments. The GAP Program Director uses the metric results to report to the Office of Traffic Safety (OTS), in cases where ABC has received an OTS grant in certain jurisdictions. The results are used by the GAP investigators for program monitoring and by the agencies themselves to see the results of the programs they've run. This provides them with a "before and after" picture of the problems they have or didn't realize they had. Los Angeles Police Department uses the results in their newsletter, the *Debrief*, to make sure the city council and others are aware of what they are doing and how the grant has helped the city reduce alcohol-related crime.

### **3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other actors affecting the outcome**

The more licensees that are trained, the better the outcome. Licensee training seminars for grant agency jurisdictions are held in cooperation with the local

law enforcement agencies. They are directly involved in scheduling the classes, inviting the licensees, and attending the trainings. These joint training sessions create *increased partnerships with local law enforcement* and help form the basis for future liaison activities.

#### **4 - The target for the metric and explain how the target was developed**

No target.

#### **5 - Explain the cause(s) of any fluctuation in the metric results**

The response we get from licensees within any given area fluctuates. Also, if we have a district office that is doing LEAD training on a monthly basis and most people have already been through training, we might not get a very good response when the local law enforcement agency invites the licensee to the training.

In some cases, we might get a weak response the first time around, but after an enforcement operation such as Minor Decoy Program or Decoy Shoulder Tap, we usually get a better response from the licensees.

The type of licensee also affects results. Large chain operations that have in-house training may not be receptive to the LEAD Program.

### **Metric 3.3 - Number of accusations registered in grant jurisdictions**

#### **1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

An "accusation" is a formal charge against a licensee that alleges grounds for the suspension or revocation of the license. For example, the most common allegation is sales of alcoholic beverages to persons under 21 years of age. Underage drinking is an enormous public health and safety problem. To illustrate, people under 21 are involved in fatal crashes at twice the rate of adult drivers. Accordingly, when ABC registers accusations against licensees, it shows that ABC is accomplishing its mission responsibility "... to protect the health, safety, welfare ... of the people of the State."

**2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

Grantee law enforcement agencies use the metric to report to ABC on their accomplishments.

**3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

Increased enforcement activity results in a greater number of accusations being registered.

**4 - The target for the metric and explain how the target was developed**

There is no target for the metric.

**5 - Explain the cause(s) of any fluctuation in the metric results**

More investigations result in more accusations being filed against licensees.

**Metric 3.4 - Number of arrests and citations in grant jurisdictions**

**1 - How metric demonstrates ABC's success in accomplishing mission; how metric is linked to program outcome**

When ABC or local officers arrest someone for selling alcohol to a minor, or arrests a minor for purchasing or consuming alcohol, ABC is accomplishing its mission responsibility “. . . to protect the health, safety, welfare . . . of the people of the State.” Arrests and citations are directly linked to reduced crime and reduced drunk driving. Although ABC does not make drunk driving arrests, local officers do.



**2 - Who uses the metric and how metric results are used to make program decisions and/or changes necessary to better accomplish our mission**

Grantee law enforcement agencies use the metric to report to ABC on their accomplishments. The results are used by the GAP investigators for program monitoring and by the agencies themselves to see the results of the programs they've run. This provides them with a "before and after" picture of the problems they have or didn't realize they had. As stated previously, Los Angeles Police Department uses the results in their newsletter, the *Debrief*, to make sure the city council and others are aware of what they are doing and how the grant has helped the city reduce alcohol-related crime.

**3 - How changes in the activities/outputs measured by the metric are entirely, or at least primarily, responsible for changes in the outcome, and/or identify other factors affecting the outcome**

The more arrests and citations ABC and local law enforcement agencies make, the fewer crimes and public nuisance activities there will be. Word spreads fast among retail licensed establishments that ABC and/or local law enforcement is out working. Budgetary constraints affect personnel allocations and thus the number of arrests made.

**4 - The target for the metric and explain how the target was developed**

There is no target for this metric.

**5 - Explain the cause(s) of any fluctuation in the metric results**

Metric results fluctuate with staffing levels.

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## Comparing State Alcohol Regulators

<b>State/Alcohol Regulator</b>	<b># of Licenses Issued Annually</b>	<b>Budget</b>	<b>Staffing</b>	<b>Comments</b>
Arizona Department of Liquor Licenses and Control	9700	\$2.2 million	60 employees in Department; 8 employees in licensing; 22 in Investigations.	Investigation staff are not peace officers.
California Department of Alcoholic Beverage Control	114,000	\$22 million for licensing; \$19 million for compliance	429 employees in Department; 227 Pys for licensing; 192 for enforcement; 10 for Grant Assistance.	Alcohol enforcement is sole mission. Department does not issue tobacco licenses; does not enforce gaming laws and does not collect or ensure compliance with excise tax laws.
Florida Division of Alcoholic Beverages and Tobacco in the Department of Business and Professional Regulation	71,000	\$16.5 million for enforcement; \$4.1 million for licensing	380 employees in Department; 61 employees in licensing; 205 in enforcement.	Issues tobacco licenses and regulates tobacco sales. Also collects excise taxes on both alcohol and tobacco.
New Mexico Alcohol and Gaming Division in the Regulation and Licensing Department	3000	\$800,000	14 employees in Division.	Regulates gaming

## Comparing State Alcohol Regulators

Oregon Liquor Control Commission	10,500	\$83 million total - \$47 mil for state liquor stores	200 employees in Department.	Control state
Texas Alcoholic Beverage Commission	100,000	\$2 million for licensing; \$16 million for enforcement; \$27 million total	540 total employees; 45 pys for licensing; 290 pys for enforcement.	Collects Excise taxes on alcohol and tobacco. Texas ABC has 106 staff involved in border enforcement.
Washington State Liquor Control Board	12,000	\$140 million total; operates 157 state stores	1280 total employees; 300 employees in licensing; 85 law enforcement agents and 830 in product and retail sales	Control state - enforces tobacco laws and tobacco tax enforcement